

MAY 2 7 2015

Pat Meehan for Congress Louis Schiazza, Treasurer P.O. Box 508 Drexel Hill, Pennsylvania 19026

RE: MUR 6899

Pat Meehan for Congress and Louis Schiazza in his official capacity as

treasurer Pat Meehan

Dear Mr. Schiazza:

On November 7, 2014, the Federal Election Commission notified Pat Meehan for Congress and you, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended. On May 19, 2015, the Commission found, on the basis of the information in the complaint and information provided by you that there is no reason to believe that Pat Meehan for Congress and Louis Schiazza in his official capacity as treasurer violated 52 U.S.C. §§ 30116(f) or 30120. The Commission also found that there is no reason to believe that Pat Meehan violated 52 U.S.C. § 30120. Accordingly, the Commission closed its file in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). The Factual and Legal Analysis, which explains the Commission's findings, is enclosed for your information.

If you have any questions, please contact Elena Paoli, the attorney assigned to this matter at (202) 694-1650.

Sincerely,

Peter Blumberg

Assistant General Counsel

Enclosure Factual and Legal Analysis

1	FEDERAL ELECTION COMMISSION
2	FACTUAL AND LEGAL ANALYSIS
4 5 6 7 8 9	RESPONDENTS: Pat Meehan for Congress and Louis Schiazza in his official capacity as treasurer Pat Meehan  MUR 6899
10 11	I. INTRODUCTION
12	This matter was generated by a complaint filed with the Federal Election Commission by
13	Patrick Long, campaign manager for Mary Ellen Balchunis for Congress, alleging violations of
14	the Federal Election Campaign Act of 1971, as amended (the "Act").
15	The Complaint alleges that the Republican Federal Committee of Pennsylvania ("RFCP"
16	distributed a mailer on behalf of congressional candidate Pat Meehan that failed to include a
17	disclaimer stating whether it was authorized by Meehan or his authorized committee, Pat
18	Meehan for Congress and Louis Schiazza in his official capacity as treasurer ("Committee").
19	Compl. at 1. The Complaint also alleges that the Committee must have provided the two
20	photographs of Meehan used in RFCP's mailer because they "do not appear to be publicly
21	available." Id. RFCP responds that the mailer qualifies for the "volunteer materials" exemption
22	making an authorization statement unnecessary. RFCP Response at 1. RFCP further asserts that
23	it did not obtain the photographs used in the mailer from the Committee or Meehan. Id. The
24	Committee responds that it had no involvement with or connection to the mailer. Committee
25	Response at 1.
26	II. FACTUAL AND LEGAL ANALYSIS
27	RFCP is a state party committee. See RFCP Statement of Organization, filed November
28	2, 2011, at 2. Its two-page mailer shows two photos of Meehan meeting with constituents and

touts Meehan's record on "protecting Social Security and Medicare." See Compl., Exh. 1. The

- mailer includes the Committee's campaign logo, which reads "Meehan for Congress." Id. The
- 2 mailer's disclaimer states, "Paid for by the Republican Federal Committee of Pennsylvania," and
- 3 the return address on the mailer includes RFCP's street address and internet address. See id.<sup>2</sup>

## A. Disclaimers and the Volunteer Materials Exemption

- 5 Under the Act, any public communication, such as a mass mailing, made by a political
- 6 committee must display a disclaimer. 52 U.S.C. § 30120(a) (formerly 2 U.S.C. § 441d(a));
- 7 11 C.F.R. § 110.11. If the mailer is authorized by a candidate or the candidate's authorized
- 8 committee, but is paid for by another person, the mailer must state that the other person paid for
- 9 it, and that the candidate's committee authorized it. 52 U.S.C. § 30120(a)(2) (formerly 2 U.S.C.
- 10 § 441d(a)(2)). If the mailer is not authorized by a candidate or candidate's committee, the
- disclaimer must provide the payor's name, street address, phone number or internet address and
- state that the mailer is not authorized by any candidate or candidate committee. 52 U.S.C.
- 13 § 30120(a)(3) (formerly 2 U.S.C. § 441d(a)(3)); 11 C.F.R. § 110.11(b)(3). If, however, the
- mailer satisfies the volunteer materials exemption, the disclaimer on the mailer need not include
- an authorization statement. 11 C.F.R. § 110.11(e).
- Under the volunteer materials exemption, the costs of certain campaign materials paid for
- by a state or local party committee and used in connection with volunteer activities on behalf of
- the party's nominee are neither contributions nor expenditures. See 52 U.S.C. § 30101(8)(B)(ix),

See Response at 1 (same logo).

From October 20-27, 2014, RFCP paid \$75,483 to Red Maverick Media, a communications vendor, and \$15,590 to the U.S. Postal Service in connection with "Meehan mail," for a total of \$91,703. See 2014 Post-General Report, filed on December 3, 2014, at 193, 195-96, 214, 216-17, and 222. The Meehan mailer at issue, however, is not specifically identified in RFCP's disclosure reports, and the Committee made no disbursement in connection with Meehan on October 23, 2014, the date the volunteers apparently worked on the mailer. Thus, we are unable to determine the precise cost of the mailer.

A "mass mailing" is a mailing by United States mail or facsimile of more than 500 pieces of identical or substantially similar matter within any 30-day period. 11 C.F.R. § 100.27. The photographs attached to RFCP's response strongly suggest that the Meehan mailer was a mass mailing. See RFCP Resp., Exh. I (Zach Niles Statement Attachments).

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(9)(B)(viii) (formerly 2 U.S.C. § 431(8)(B)(ix), (9)(B)(viii)). To qualify for the volunteer

2 materials exemption, mailers must be "used ... in connection with volunteer activities,"

"distributed by volunteers and not by commercial or for-profit operations," and cannot "be used

in connection with ... direct mail," which means "any mailing(s) by a commercial vendor or any

mailing(s) made from commercial lists." 11 C.F.R. §§ 100.87, 100.147; see, e.g., MUR 5598

6 (Utah Republican Party) (exercising prosecutorial discretion to dismiss matter where volunteers

stamped mailers and loaded them onto a truck, but commercial vendor printed addresses on

mailers, sorted them by postal carrier route, and delivered mailers to post office).<sup>4</sup> And, as

9 mentioned above, disclaimers on mailers that satisfy the volunteer materials exemption must

include a "paid for by" statement and the payor's name, street address, phone number or web

address, but not an "authorized by" statement, even if a candidate authorized the mailer. See

12 11 C.F.R. § 110.11(a), (e).

In its sworn Response, RFCP argues that the mailer qualifies for the volunteer materials exemption because volunteers performed work on the mailing, it did not use a commercial mailing list, and it only used federal funds to pay for the mailing. RFCP Resp. at 1. In a sworn statement, RFCP's "non-allocable mail coordinator" attests that he personally supervised the volunteers who worked on the Meehan mailing. See RFCP Resp., Exh. 1 (Zach Niles Statement). Niles attached a volunteer sign-in sheet, dated October 23, 2014, and eleven photographs that show volunteers unpacking, addressing, and transporting the mailing to the post office. See RFCP Resp., Exh. 1 (Niles Statement Attachments). The Complaint does not allege any facts that show that RFCP did not satisfy the exemption's requirements.

Although not in dispute in this MUR, the exemption also requires that the communication's costs be paid for with federal funds and not involve the use of national party funds. See 11 C.F.R. §§ 100.87(a)-(g), 100.147(a)-(g).

2 U.S.C. § 441d)).6

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ļ The mailer at issue qualifies for the volunteer materials exemption and, therefore, 2 RFCP's disclaimer did not require an authorization statement. RFCP is a state party committee, and its response is supported by a sworn statement and many pictures showing that RFCP 3 volunteers unpacked, addressed, and delivered the mail pieces to the post office. These activities 4 5 are similar to those the Commission has found sufficient to meet the exemption, which include stamping, sorting, and bundling mail pieces, and delivering them to the post office. See MUR 6 4851 (Michigan Republican State Committee) (exemption applied where volunteers stamped, 7 8 placed address labels on mailers, and delivered mailers to post office); see also MUR 3218 (Blackwell for Congress) (volunteers stamped and sorted the mail pieces into the requisite 9 postal/zip code categories and transported them to the post office); MUR 4754 (Republican 10 Campaign Committee of New Mexico) (same).<sup>5</sup> Thus, RFCP has shown that its volunteers 11 distributed the materials, as required by the regulation. See 11 C.F.R. §§ 100.87(d), 100.147(d). 12 13 Because the mailer appears to satisfy the volunteer materials exemption, the disclaimer on the mailer only needed to state that RFCP paid for it and to provide RFCP's full name, street 14 15 address, and web address. See 11 C.F.R. § 110.11(b)(3), (e). Therefore, there is no reason to believe that Pat Meehan or Pat Meehan for Congress and 16 Louis Schiazza in his official capacity as treasurer violated 52 U.S.C. § 30120 (formerly 17

The Statement of Reasons in MUR 5598 describes additional, similar scenarios the Commission has found to satisfy the exemption. See Statement of Reasons, Comm'rs. Petersen, Bauerly, Hunter & Weintraub, MUR 5598 (Utah Republican Party) at 3-4.

The Complaint alleges that Meehan and the Committee violated the disclaimer statute although under the Act, it appears that only the person making the "disbursement" for the communication at issue has a duty to comply with the disclaimer obligations. 52 U.S.C. § 30120(a) (formerly 2 U.S.C. § 441d(a)).

## B. Use of Photographs

The Complaint alleges that RFCP used two Meehan campaign photographs in the mailer.

- 3 The Complaint appears to suggest that the use of the photos resulted in a contribution from
- 4 RFCP to the Committee, either through republication or coordination. See Compl. at 1. The
- 5 Complainant specifically alleges that RFCP used two photographs of Meehan that it was unable
- 6 to locate on the Committee's website, Flickr, or Facebook pages. See id. Thus, Complainant
- 7 surmises that the Committee provided the photos to RFCP. Id. RFCP flatly denies that it
- 8 received the photographs from Meehan or the Committee. See RFCP Resp. at 1. And the
- 9 Committee asserts that it had no connection to or involvement with the mailing. See Committee
- 10 Resp. at 1.

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- Both RFCP's and the Committee's denials are sworn, and Complainant cites nothing,
- other than the inability to find the pictures on Meehan's internet sites, to cast doubt on these
- denials. And there is no available information to support the Complainant's speculative
- allegation. Further, payments qualifying for the volunteer materials exception are not
- 15 "contributions" or "expenditures," and are not subject to the Act's contribution or expenditure
- limits. See 52 U.S.C. §§ 30101(8)(B)(ix), (9)(B)(viii) (formerly 2 U.S.C. §§ 431(8)(B)(ix),
- (9)(B)(viii)); 11 C.F.R. §§ 100.87, 100.147. Therefore, RFPC may permissibly coordinate these
- 18 communications with the Meehan Committee. Accordingly, there is no reason to believe that Pat
- 19 Meehan for Congress and Louis Schiazza in his official capacity as treasurer accepted an
- excessive contribution in violation of 52 U.S.C. § 30116(f) (formerly 2 U.S.C. § 441a(f)).

<sup>&</sup>lt;sup>7</sup> 52 U.S.C. § 30116(a)(7)(B)(iii) (formerly 2 U.S.C. § 441a(a)(7)(B)(iii)); 52 U.S.C. § 30116(a)(7)(B)(i) (formerly 2 U.S.C. § 441a(a)(7)(B)(i)).